

# FINAL BILL REPORT

## SHB 1892

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### PARTIAL VETO

C 315 L 01

Synopsis as Enacted

**Brief Description:** Regulating agricultural commodity boards and commissions.

**Sponsors:** By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville and G. Chandler).

**House Committee on Agriculture & Ecology**  
**Senate Committee on Agriculture & International Trade**

#### **Background:**

Some agricultural commodity commissions have been created directly by statute. Examples of these types of commodity commissions are the Fruit Commission, the Tree Fruit Research Commission, the Apple Commission, the Beef Commission, and the Dairy Products Commission. The state's Agricultural Enabling Acts of 1955 and 1961 provide procedures under which the producers of agricultural commodities may prepare marketing agreements and orders to create, by referenda, agricultural commodity boards and commissions for the commodities without further statutory authority. The first commission created in this way was the Wheat Commission, which was established under the 1955 Enabling Act.

State general laws classify the wide range of state committees, commissions, and boards into groups and provide for the compensation of the members of those in each group. Commodity commissions and boards, whether created directly by statute or by marketing order, are a Class Two group. The general law allows members of these commissions and boards to receive compensation of up to \$35/day of official duty. Compensation may be paid to a commission or board member under the general law only if it is authorized under the law dealing in particular with the specific group to which the member belongs or dealing in particular with the members of that specific group.

With certain limitations, the state's public disclosure laws allow any state or local agency to expend public funds for lobbying that is limited to (a) providing information or communicating on matters pertaining to official agency business to any elected official or officer or employee of an agency; or (b) advocating the official position or interests of the agency to any elected official or officer or employee of an agency.

#### **Summary:**

Commissions and Boards Created by Statute or by Marketing Order.

Members of agricultural commodity commissions and boards are authorized to receive up to \$100 in compensation for each official duty day.

Commissions and Boards Created by Marketing Order - Purposes and Powers. The purposes for which commodity boards or commissions may be created under the Agricultural Enabling Act of 1955 or 1961 are expanded. They expressly include: communicating to an elected official or officer or employee of an agency on matters regarding the production, processing, marketing, or uses of an agricultural commodity produced in the state; providing marketing information and services for producers of a commodity and engaging in cooperative marketing efforts; providing information and services for meeting resource conservation objectives of producers of a commodity; and providing for commodity-related education and training.

Each commodity board or commission created under either the 1955 or 1961 Enabling Act has, in addition to the powers and duties provided in its marketing order, the authority or duty to:

- retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of a commission or board. The retention is subject to review by the office of the Attorney General;
- accept and expend or retain gifts, bequests, contributions, or grants to carry out the purposes of the commission's or board's marketing order;
- engage in appropriate fund-raising activities to support activities of the commission or board authorized by the marketing order;
- participate in hearings, meetings, and other proceedings relating to the production, manufacture, regulation, distribution, sale, or use of affected commodities including lobbying activities authorized for public agencies under the state's public disclosure laws;
- enter into contracts or agreements for research in the production, processing, marketing, use, or distribution of an affected commodity;
- enter into contracts or interagency agreements to carry out the purposes of the commission's or board's marketing order; and
- work cooperatively with other agencies and with universities and national organizations for the purposes of the commission's or board's marketing order.

Commission and Board Members. Commission members and certain board members must now be over the age of 18 (rather than 25). Members of a commission created under the 1955 Act must now be citizens and residents of the state only if that status is required by the marketing order for the commission. Not less than two-thirds (rather than two-thirds) of the members of a commission created under the 1955 Act must be producers.

Commission or board members and employees of a commodity commission or board may be reimbursed for actual travel expenses incurred, as defined under the marketing order. If not defined or referenced in the marketing order, reimbursement is as provided by state law regarding the reimbursement of state employees for such expenses. Approval for such expenses is as defined in the marketing order.

Other. A commodity commission or board may establish a foundation using commission funds as grant money when the foundation benefits the commodity for which the board was established. The funds of a commission or board may be used for the purposes authorized in its marketing order. Commissions created under the 1955 Act may now purchase (rather than just lease) office space and audits of them may now expressly be done by private auditors designated by the State Auditor.

**Votes on Final Passage:**

House 95 3  
Senate 49 0 (Senate amended)  
House 88 0 (House concurred)

**Effective:** July 22, 2001

**Partial Veto Summary:** The Governor vetoed a section that allows members and employees of commodity boards and commissions to be reimbursed for their actual expenses rather than as specified by state rules.